



Association of School
Councils in Victoria

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Review of School Governance
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Submission

Review of School Governance

For and on behalf of members of the Association of School Councils in Victoria

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Introduction

The Association of School Councils in Victoria (ASCIV) offers the following submission within the Victorian government policy context of the *Blueprint for Government Schools*¹. It will be organized around principles of good governance adapted from the research of the Organization for Economic Co-operation and Development (OECD).² These principles encompass the following:

- The rights of shareholders
- The equitable treatment of shareholders
- The role of stakeholders in corporate governance
- Disclosure and transparency
- The responsibilities of the board

ASCIV considers the following to be the five essential principles of good governance:

- Clear delineation of governance roles;
- Effective governance processes;
- Effective governance controls;
- Governance improvement; and
- Community responsiveness

Governance and the self-managed school

Professor Brian Caldwell, University of Melbourne, draws on research conducted in Victoria that finds that self-managed schools can show improved student learning outcomes.

Eight primary schools that expressed a willingness to participate in case studies following the survey of principals in 1996 were invited to name up to three areas of the curriculum where improvement in student learning had occurred and where they believed evidence was available to substantiate their claim. Four schools were selected, reflecting diversity in size, setting and curriculum area where evidence of improvement was claimed. A wide range of curriculum areas was covered. Findings revealed that schools could cite evidence that their efforts have led to improved outcomes for students.³

Caldwell suggests that 'structural re-arrangements are but a pre-condition if there is to [be an] impact on learning outcomes. Whether there is impact depends on making links across several levels to reach the classroom and the student.'⁴ Whilst all seven findings by Caldwell have implications for School Councils, two findings hold particular implications for school councils and good governance.

There will be clear, explicit and planned links, either direct or indirect, between each of the capacities that come with self-management and activities in the school that relate to learning and teaching and the support of learning and teaching.

and;

¹ *Blueprint for Government Schools: Future Directions for Education in the Victorian Government School System*, State of Victoria, Department of Education & Training, 2003

² *OECD Principles of Corporate Governance*, 1999

³ Brian Caldwell, *A Theory of Learning in the Self-Managed School*

⁴ *ibid.*

A key task for principals and other school leaders is to help make effective the links between capacities for self-management and learning outcomes ...⁵

Caldwell argues that 'the means are at hand to create a system of public schools that will provide a high quality of education for all students.' The challenge lies in 'how to put the pieces together.'⁶

ASCIV believes that the school council, as the governing body of the school and therefore one of the capacities of self-management, plays a primary and essential role in 'putting the pieces together'. Within the framework of a council's designated powers, the school council, that exercises good governance, can ensure the best outcomes for its students.

By embracing the five principles of governance as a building stone, and by drawing explicit and direct links between council decisions and student outcomes, ASCIV believes that Victorian school councils can demonstrate world's best practice in public school governance.

Code of Practice

It is essential that all Victorian government school governing bodies should develop and function within a Code of Practice that reflects the values of the community and the education policies of the Victorian government.

The governing body's Code of Practice should reflect, at its fundamental base, a commitment to the continuous improvement of student achievement. It should be developed within a legal, ethical and values based framework that includes, but is not limited to, compliance to legislation and government regulations, upholding of Australian democratic principles and the equitable treatment of all stakeholders. The actions and decisions of the governing body should at all times reflect: integrity; respect; empathy; confidentiality; recognition of the place of volunteerism; responsibility; accountability; compliance; transparency; honesty; effectiveness; innovation; and responsiveness to the needs of both the immediate and extended community.

Governance Principle 1: Clear delineation of governance roles

Victoria has gone further than any other Australian State in its shift towards self-management. Caldwell argues that it is now the 'largest system of public education anywhere to have decentralized as much as 90 per cent of its state budget to schools for local decision-making, being 93.7 per cent in 2001.'⁷ Monitoring the expenditure of public monies, therefore, is a crucial aspect of the role of the governing body. Before any delineation of governance roles can be articulated, however, a definition of 'governance', and an understanding of the relationship between governance and management, needs to be developed.

The concept of governance and management can be a difficult issue for both councils and principals to come to grips with. The governance/management interface is not clearly defined. The legislative framework is both prescriptive and permissive, and as such the self-managing model allows for considerable variation of application and implementation. Councils, in conjunction with their principals, have the unique opportunity to define their governance/

⁵ *ibid.*

⁶ *ibid.*

⁷ *ibid.*

management roles according to the expectations of their communities, and in the best interests of their students.⁸

It is ASCIV's contention that councils, including their executive officers, without a clear understanding of the governing and operational capacities of the school, govern ineffectively.

Governance – a definition

ASCIV offers the following definition of school governance within the current context of Victorian government education policy.

Governance refers to the decision-making processes that reflect accountability, responsibility and a commitment to innovative school improvement.

Governance encompasses the effective management of relationships within the immediate and extended school community for which the school council must take overall responsibility.

Successful schools are characterised by the fact that both the council and principal demonstrate that they have a very clear understanding of their different roles and responsibilities by functioning as a partnership team in a business-like manner. School councils are responsible for organizational outcomes - principals are responsible for organizational processes to achieve those outcomes.⁹

ASCIV recommendations:

In addition to the current roles and functions of councils, ASCIV recommends that the roles and functions of the school council should include the following:

- School council be the key developer of a Strategic Alliance and driver of the strategic plans in close consultation and with direction from the executive officer and reflecting the needs of the immediate and extended community
- Responsibility for approval of annual Budget that reflects the current and future directions, priorities, goals and targets of the school Charter and the short and long-term Strategic Plans as developed by the council
- Understanding of workforce planning in order to resource school appropriately
- The ability of council to support principal in achieving a staffing profile that will support continuous school improvement
- The authority to seek alternate revenue outside government SRP in order to resource the implementation of innovative actions/programs as identified in the Strategic Plans
- Authority to generate income through school council ownership of Intellectual Property developed at the school site.
- Authority to employ specialist staff
- Authority to employ some staff within the Teaching Service Act 1981
- Authority to enter into licensing agreements
- Responsibility for risk management
- Responsibility for the development of a culture of continuous school improvement
- DE&T initiatives to be considered by, and undertaken with approval of, Council
- Responsibility for the well-being of students and staff especially the well-being of the principal

⁸ Adapted from and with the permission of the NZSTA. *NZSTA Trustee Handbook*, New Zealand School Trustees Association, June 2004

⁹ *ibid.*

- Principal performance:
 - The president to be consulted during principal contract renewal process
 - DE&T develops a process for this consultation that is uniform across regions and that recognises the role of the council in the process

Governance Principle 2: Effective governance processes

For school councils to exercise good governance there must be agreed and documented policies and processes by which they function.

ASCIV recommendations

ASCIV recommends the following regulated processes:

- Policy development and review:

A clear process must be in place for the development and review of all policies. Part of this process will include community consultation as a factor when appropriate and the annual review of council performance.
- Standing Orders:

Current DE&T direction suggests councils have Standing Orders but there is no requirement to do so. ASCIV recommends that Standing Orders should be required.
- Constituting Order:
 - Council configuration should consist of only two mandated categories, DE&T and non-DE&T members.
 - Non-DE&T members should constitute no less than two-thirds of total membership
 - There should be no member category specified other than those two mandated
 - There should be no upper limit on number of members
- Council Elections:
 - The management of the election process can be outsourced by a decision of Council
 - Elections to be held in Term 3 of the school year so that induction programs can take place in Term 4 and the new council can be involved in budget preparation and planning for the following year.
 - DE&T and non-DE&T nominees to be elected by appropriate constituencies
 - Non-DE&T non-parent members to be co-opted by a vote of council
- Councillor tenure:
 - The current tenure arrangements to be retained
 - The length of office bearer positions be retained at 12 months
- Principal selection:
 - ASCIV supports the current review of selection panel membership
 - Development of Principal selection process that includes accreditation for aspirational principals
- Council organization and councillors: Councils should organize their committees and working parties to reflect the priorities of the Charter and Strategic Plans but recommend that:
 - A finance committee of council be mandated; and
 - Decision making authority be given to an executive committee of Council
 - Development of a process to remove office bearers/councillors not working within the ethical and values framework as articulated in the council Code of Conduct
 - Clarification of Ministerial/DE&T process to dissolve Council

Governance Principle 3: Effective governance controls

For a council to exercise good governance it must have in place clear, understood and effective controls. In monitoring school performance and the implementation of the strategic plans, the council must access and analyse up-to-date externally referenced information and use data to identify strengths and weaknesses in order to determine progress towards targets.

Some of the controls that should be in place:

- Audit: Financial and Physical
- Annual Report
- School Review
- Accessing, interpreting and acting upon data both quantitative and qualitative in relation to student outcomes, staff well-being, community responsiveness and all other aspects of school management
- Governance review

ASCIV recommendation:

- The development of a set of clear, understood and effective governance controls by which a council can monitor the charter and strategic plans in order to determine progress towards student achievement targets and the overall improvement of the school.

Governance Principle 4: Governance improvement

A commitment to continuous school improvement can only be achieved when the council has a corresponding commitment to improved governance. Building the governing capacity of a council can be achieved in diverse ways, some of which are included below. This is not a finite list.

◆ Professional Development and Training:

It is now accepted practice that volunteers should have organization-specific training that recognises the value of the volunteer to the organization. During the International Year of Volunteers, 2001, it was announced that volunteers contribute 430 million hours of unpaid work per year. The value of this contribution was encapsulated in the announcement that, 'it is only right that we [the Federal Government] reward their selfless efforts by making an investment in their skills and abilities through practical support and quality training.'¹⁰ In Victoria, conservative figures put the number of hours contributed to the community by school councillors to be over 1.1 million.¹¹

ASCIV has long recognised the value of professional development for school councils. If councils are to make the informed decisions that will lead to improved outcomes for students, they must have the knowledge and tools with which to make those decisions. The DE&T also recognises the need for ongoing training for councils. *Making the Partnership Work: Rules and Procedures* states that:

The President and executive officer are responsible for ensuring that new council members receive appropriate induction. All members should be provided with access to ongoing training and development programs. To this end an annual allocation should be made in the School Council's budget for training and development.¹²

¹⁰ \$8.1 Million Investment To Boost The Skills of Australia's Volunteers, A. Vanstone, Minister for Family and Community Services, October, 2001.

¹¹ See Appendix 2, School Councils in Victoria and Volunteers

¹² *Making the Partnership Work: Rules and Procedures*, DE&T, p.25

Professional development and training programs that councils should undertake include, but are not limited to:

- New member induction
- Governance
- Policy development and review
- Finance and the SRP
- Legal responsibilities and Risk management
- Physical environment and Occupational Health and Safety
- Developing the vision
- Strategic planning
- Analysing data
- Community relationships and capacity building
- President/ Executive Officer
- Principal selection

Programs should ideally be undertaken by whole council - Executive Officer, DE&T and non-DE&T members - in order to develop a shared understanding of all facets of the council's functions.

ASCIV recommendations:

- That the importance of professional development and training for councils be a cornerstone in future changes to Victorian government school governance and that it be recognised by the DE&T in the form of appropriate resourcing.
- That principals, aspirant principals and SEOs also undertake professional development programs in order to deepen their understanding of governance and the interface between governance and management. It is expected that DE&T practice and resources will support this.

◆ **Expertise:**

School councils should seek expert advice outside the council on matters where the appropriate expertise is not available within council.

◆ **Information:**

Councils can improve their governing capacity through a demonstrated awareness of current educational debates; an awareness of current and future state and regional education provisional needs; an awareness of children's learning and life needs; and an awareness of educational research/pedagogy

◆ **Governance models:**

Councils should have the authority and flexibility of entering into alternate governance models with other government education providers that reflect the needs of their immediate and/or extended communities. For example, but not limited to:

- Secondary school with satellite primary and/or special schools
- Regional council
- Network council
- Small schools council
- Specialist Schools council

◇ Evaluation and accreditation:

ASCIV strongly believes that council and councillor performance must be regularly reviewed and evaluated. The analysis of council performance should be included in Annual Reports and be a part of any school review process. Council performance, measured against a set of governance standards, should be included in the school Performance and Development accreditation process.

ASCIV recommendations:

- That school Performance and Development Culture accreditation include council performance
- The development of a set of governance standards, based on the five principles of good governance, by which councils can be evaluated and accredited
- Accredited councils to be named 'boards'
- Boards to have the extended authorities and powers set out in Governance Principle 1

◇ Council/Board operations: In relation to the functions and work undertaken by the council/ board and members

ASCIV recommendations:

- That an honorarium be paid to school council/board members. Increase in government allocated funds to reflect this.
- That a council/board laptop/PC be provided to president/board chair, for duration of office term, for current council/board business and future reference
- That principal networks include presidents/board chairs at those times when governance issues are a point of discussion.
- That a review of electronic communications between DE&T and presidents/board chairs be undertaken to determine effectiveness
- That public recognition of the work and contribution of school councils/boards to the community be recognised in a review of the current school council awards process
- That upon completion of the Governance Review the DE&T will sponsor the equivalent of the principals' 'Big Day Out' for council presidents/board chairs and executive officers.
- That ASCIV, in consultation with the DE&T and other appropriate stakeholders, will develop a 'Good Governance Guide' for councils/boards. The guide will fulfil the first principle of good governance and support the other four principles. It will be both prescriptive and permissive in order to ensure that best practice prevails as well as allowing flexibility for innovation.

◇ Government Education Governance Authority

ASCIV recommendation:

- That a Statutory Authority be established that will oversee the governance of all government school providers. The Authority might act as a conduit between DE&T and school councils/boards and stakeholders and be able to resolve complaints/disputes in matters related to school governance.
- That a Governance Authority website be developed to support the work of councils/boards
- That electronic communication between DE&T and councils/boards be conducted via the Governance Authority

Governance Principle 5: Community responsiveness

The school council/board plays an essential role in engaging both the immediate and extended community. At all times the council/board should represent the interests of the school. The stakeholders of the immediate community can be the school council/board, students, staff, management, parents/guardians and the DE&T. The stakeholders of the extended community can include: local/state/national and international educational organizations; local, state and federal government departments and agencies; sporting/service/cultural organizations; corporate business; and the tax-paying public.

The council/board should, at all times, act in the best interests of, and reflect the needs of all stakeholders of the community in order to achieve the best outcomes for its students. The school council/board and its procedures, policies and decisions must be transparent, accountable and responsible to the community. Consultation should be meaningful and relevant and undertaken within the guidelines for consultation processes as set out under Governance Principle 2.

Councils/boards should also seek appropriate membership representation that reflects the diversity of the community and the particular needs and aspirations of the immediate community at any given time. It must also be recognized that western social demographic trends and shifts indicate that there is a growing number of people who choose not to have children. In the USA, this group pays the majority of taxes.¹³ If this trend is to follow in Australia, then the appropriate representation of non-parents on government school councils/boards must be ensured.

Within any community or organization there exist critical relationships that determine outcomes. Within the immediate school community the relationship between the council president/board chair and the principal is of vital importance. The president/chair is the link between the council/board and the principal together with his or her management team. The president/chair needs to fulfil the role of adviser, confidante and representative of the governing body. This vital relationship must be real, meaningful and mutually supportive.

ASCIV recommendation:

- That the particular and vital importance of the relationship between the council president/board chair and the principal be recognised as an underlying principle in the good governance of Victorian government schools.

End of submission

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¹³ Phillip Schlechty, *Shaking up the School House: How to Support and Sustain Educational innovation*, Jossey-Bass, San Francisco, 2001, p.13